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IN THE

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, A. D. 1943.

No. 583

GRAND RAPIDS FURNITURE COMPANY,
AN ILLINOIS CORPORATION,

Petitioner,

vs.

GRAND RAPIDS FURNITURE COMPANY,
A CORPORATION, ET AL.,

Respondents.

ON WRIT OF CERTIORARI TO THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE SEVENTH CIRCUIT.

PETITION FOR WRIT OF CERTIORARI AND BRIEF IN SUPPORT THEREOF.

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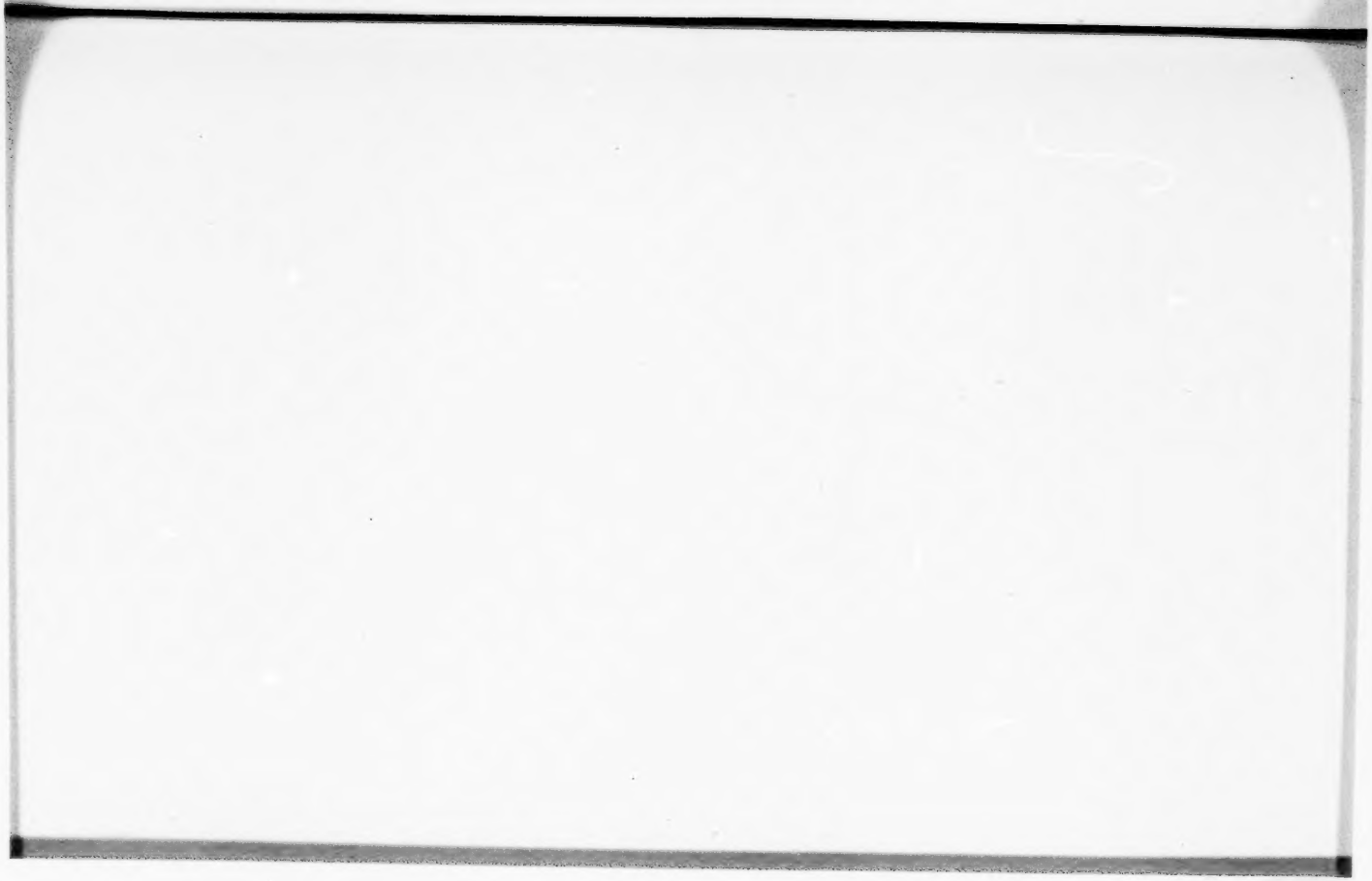

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SUMMARY OF ARGUMENT.

The District Court of the United States did not have jurisdiction of this case. The statutory jurisdictional amount was not involved and was not proved	24
The words "Grand Rapids" claimed by the plaintiffs to be a common law trade name for their products cannot be adopted as a trade name. A geographical or territorial name cannot be adopted as a trade name	45
In any event, the plaintiffs have not adopted the words "Grand Rapids" as a trade name to designate and identify their products	28

In Illinois, unfair competition is a convenient term for "palming-off" or passing off by the defendant of its goods and merchandise as the goods and merchandise of the plaintiff, and in Illinois where there is no "palming-off" there is no unfair competition.

Injunctive relief in so-called unfair competition or unfair trade practice cases is only granted to prevent anticipated damage to the plaintiff by the "palming-off" or passing off by the defendant of its goods and merchandise or services as those of the plaintiff 32

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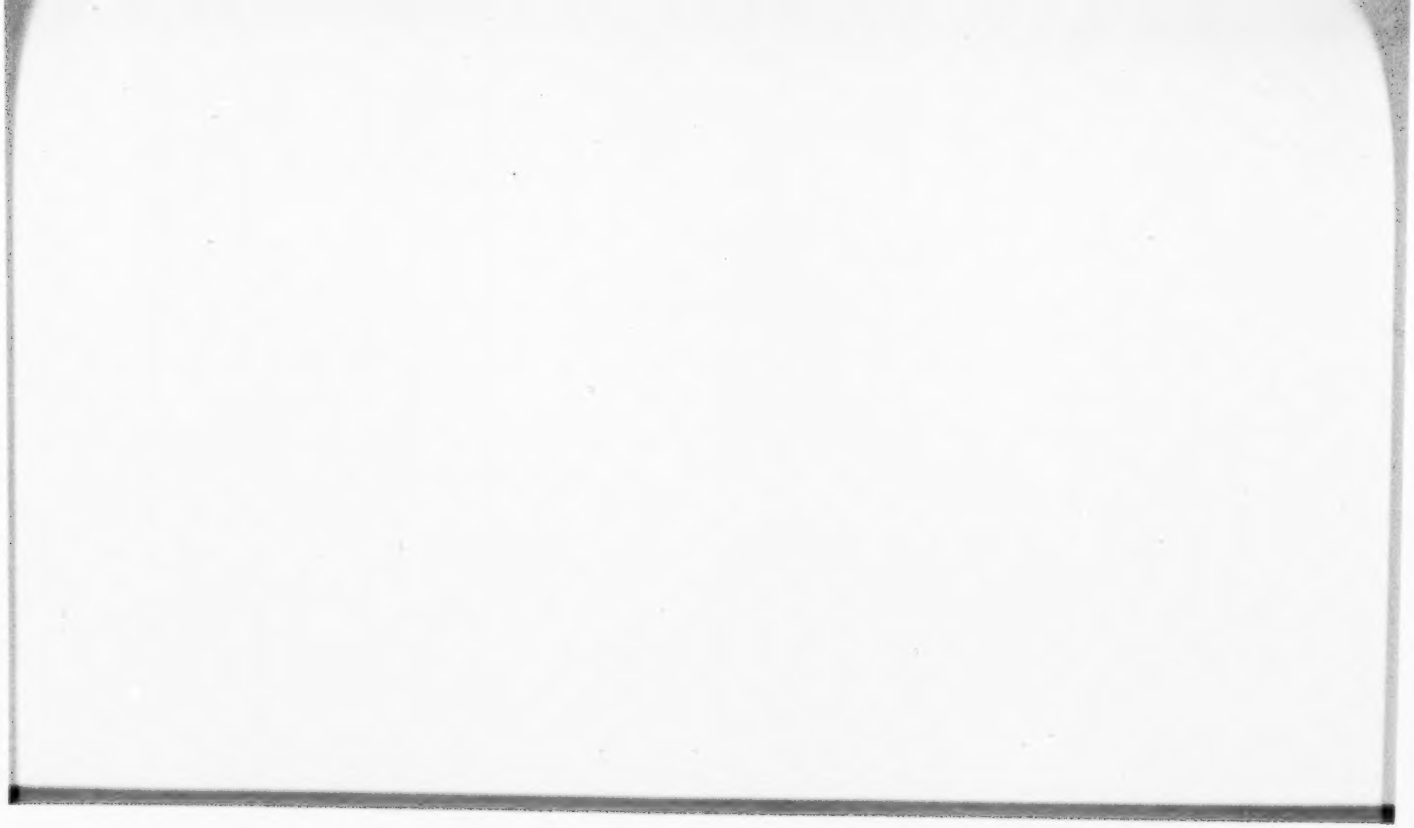

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No.

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Respondents.

ON WRIT OF CERTIORARI TO THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE SEVENTH CIRCUIT.

PETITION FOR WRIT OF CERTIORARI.

To the Honorable Justices of the Supreme Court of the United States.

Pursuant to Rule 38 of this Court, your petitioner, Grand Rapids Furniture Company, a corporation organized and existing under the laws of the State of Illinois, files this, its petition to review, by a writ of certiorari, the judgment of the United States Circuit Court of Appeals for the Seventh Circuit in the case of Grand

Rapids Furniture Company, a corporation, *et al.*, plaintiffs-appellees, *vs.* Grand Rapids Furniture Company, an Illinois corporation, defendant-appellant, in which your petitioner was the principal defendant, and in which the judgment sought to be reviewed herein was entered against your petitioner. A transcript of the record including proceedings in said Circuit Court of Appeals, duly certified by the Clerk of said Court, is herewith presented.

THE STATUTORY PROVISIONS SUSTAINING THE JURISDICTION OF THIS COURT.

This Court has jurisdiction to review said judgment by writ of certiorari directed to said Circuit Court of Appeals, by virtue of Title 28 United States Code Annotated, Section 347a, which provides as follows:

> "In any civil case in a Circuit Court of Appeals it shall be competent for the Supreme Court of the United States, upon petition of any party thereto, to require by certiorari that the cause be certified to the Supreme Court for determination by it."

and also under Title 28 United States Code Annotated, Section 350, which provides as follows:

> "No writ of certiorari intended to bring any judgment or decree before the Supreme Court for review shall be allowed unless application therefor be made within three months after the entry of such judgment or decree."

The judgment of the Circuit Court of Appeals herein sought to be reviewed, was entered on October 8, 1943, at Chicago, in said State of Illinois.

STATEMENT OF THE MATTER INVOLVED.

This suit was commenced in the District Court of the United States for the Northern District of Illinois by a complaint for a temporary and permanent injunction seeking to restrain the defendant, among other things:

a. from selling, or offering for sale, as the products of the factories in Grand Rapids, or as Grand Rapids furniture, any furniture not in fact a product of that city,

b. from using the words "Grand Rapids" as the designation, name or style of a retail store in which less than a substantial representative stock of goods, which are the product of the furniture factories in the city of Grand Rapids, Michigan, are offered for sale,

c. from operating as a corporation under the name of "Grand Rapids Furniture Co." or any similar or like name, or any name using the words "Grand Rapids", and from using or permitting to be used in any manner any such name or corporate entity already existing.

After a hearing in said District Court, an interlocutory decree was entered granting a temporary injunction substantially as prayed for, in which your petitioner was enjoined, prohibited and restrained, among other things:

a. from selling, or offering for sale, as the product of the factories in Grand Rapids or as Grand Rapids furniture any furniture not in fact a product of that city,

b. from using the name "Grand Rapids" as the designation, name or style of a retail store in which less than a substantial representative stock of goods, which are the product of the furniture factories in the city of Grand Rapids, Michigan, are offered for sale,

c. and from operating as a corporation under the name of "Grand Rapids Furniture Co." or any similar or like name, and from using in any manner whatever any such name or corporate entity already existing.

Your petitioner appealed from said interlocutory decree, and a judgment was entered in the Circuit Court of Appeals affirming said decree for a temporary injunction. The opinion of the Court is reported in *Grand Rapids Furniture Co. et al.* v. *Grand Rapids Furniture Co.*, 127 Fed. (2nd) 245.

Thereafter a trial was had in the District Court, and a final decree was entered granting a permanent injunction, which ordered, adjudged and decreed that the temporary injunction previously issued be made permanent and perpetual, and enjoined, prohibited, and restrained the defendant, among other things:

a. from selling, or offering for sale as the product of factories in Grand Rapids or as Grand Rapids furniture any furniture not in fact a product of that city,

b. from operating as a corporation under the name "Grand Rapids Furniture Company," or any similar or like name or any name using the words "Grand Rapids", and

c. from using in any manner whatever such name in connection with any corporate entity already existing.

Your petitioner appealed from said final decree granting said permanent injunction, and said final decree was affirmed by the Circuit Court of Appeals on October 8, 1943, which is the judgment herein sought to be reviewed.

QUESTIONS PRESENTED.

(a) Your petitioner questions the jurisdiction of the District Court of the United States to entertain this suit, for the reason that the plaintiffs failed to prove that the jurisdictional amount of $3,000, exclusive of interest and costs, was involved.

(b) In affirming the final decree of the District Court, the Circuit Court of Appeals decided a question of local law in conflict with local decisions.

(c) In affirming the final decree of the District Court, the Circuit Court of Appeals rendered a decision in conflict with the decisions of other Circuit Courts of Appeals on the same or similar subjects.

By its affirmance of the final decree of the District Court, the Circuit Court of Appeals held that there need be no "palming-off" or passing off by the defendant of its goods and merchandise as the goods and merchandise of the plaintiff, but the local law of Illinois, as shown by the decisions of the Courts of Illinois, as well as the general law of the United States as shown by decisions of the federal courts, is that injunctive relief will only be granted to restrain and prohibit "palming-off" or passing off by the defendant of its goods or services as those of the plaintiff.

The Illinois decisions holding that unfair competition consists of "palming-off" or passing off the goods of the defendant as the goods of the plaintiff are as follows:

Allegretti Chocolate Cream Co. v. *Rubel*, 86 Ill. App. 607.

Imperial Manufacturing Co. v. *Schwartz*, 105 Ill. App. 325.

Chicago Directory Co. v. *Herringshaw*, 187 Ill. App. 489.

Yellow Cab Co. v. *Ensler*, 214 Ill. App. 607, cer. den. by Supreme Court of Illinois.

Ambassador Hotel Corp. v. *Hotel Sherman*, 226 Ill. App. 247, cer. den. by Supreme Court of Illinois.

Stevens-Davis Co. v. *Mather*, 230 Ill. App. 45.

Lady Esther, Ltd. v. *Lady Esther Corset Shoppe Inc.*, 317 Ill. App. 451.

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De Long Hook & Eye Co. v. *Hump Hairpin Mfg. Co.*, 297 Ill. 359.

Nestor Johnson Mfg. Co. v. *Alfred Johnson Skate Co.*, 313 Ill. 106.

In affirming the final decree of the District Court, the Circuit Court of Appeals held that the words "Grand Rapids" were a trade name, and have a secondary meaning, so that they designate and identify the furniture manufactured and sold by the plaintiffs, and that such trade name became known throughout the United States as having been adopted by, and belonging to, the plaintiffs, and as the designation of their products; but there is no evidence in the record that the words "Grand Rapids" have been adopted by the plaintiffs as a trade name, or that they are attached to the products of the plaintiffs as a trade-mark, or that they have any secondary meaning.

In affirming the final decree of the District Court, the Circuit Court of Appeals enjoined the defendant from using its corporate name or any similar or like name

or any name using the words "Grand Rapids" and from using "any such * * * corporate entity already existing." Such a broad prohibition is far in excess of the rule established by the decisions of the Courts of Illinois and is not sanctioned by any decision or rule of Illinois.

The Illinois cases on the subject are the following:

Allegretti Chocolate Cream Co. v. *Rubel,* 86 Ill. App. 604.

Imperial Manufacturing Co. v. *Schwartz,* 105 Ill. App. 525.

Chicago Directory Co. v. *Herringshaw,* 187 Ill. App. 489.

Warshawsky & Co. v. *A. Warshawsky & Co.,* 257 Ill. App. 571.

Hazelton Boiler Co. v. *Hazelton Tripod Boiler Co.,* 142 Ill. 494.

Elgin Butter Co. v. *Elgin Creamery Co.,* 155 Ill. 127.

Allegretti v. *Allegretti Chocolate Cream Co.,* 177 Ill. 129.

De Long Hook & Eye Co. v. *Hump Hairpin Mfg. Co.,* 297 Ill. 359.

Nestor Johnson Mfg. Co. v. *Alfred Johnson Skate Co.,* 313 Ill. 106.

Moreover, such a broad prohibition is greatly in excess of the rule established by decisions of the Courts of the United States.

The Federal Court cases on the subject are the following:

Elgin Watch Co. v. *Illinois Watch Co.,* 179 U. S. 665.

Howe Scale Co. v. *Wyckoff,* 198 U. S. 118.

Herring-Hall-Marvin Safe Co. v. *Hall Safe Co.,* 208 U. S. 554, 560.

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Armstrong Paint & Varnish Works v. *Nu-Enamel Corp.,* 305 U. S. 315.
Addressograph Corp. v. *American Expansion Bolt Co.,* 124 Fed. (2nd) 70; cer. den. 316 U. S. 692.
Time Inc. v. *Viobin Corp.,* 128 Fed. (2nd) 860.
American Washboard Co. v. *Saginaw Mfg. Co.,* 183 Fed. 281.
Borden Ice Cream Co. v. *Borden Condensed Milk Co.,* 201 Fed. 510.
Chickering v. *Chickering & Sons,* 215 Fed. 490.
Rouss v. *Winchester Co.,* 300 Fed. 706.
Elgin National Watch Co. v. *Loveland,* 132 Fed. 41.

REASONS RELIED ON FOR WRIT.

The District Court did not have jurisdiction of the subject matter of this suit, because the jurisdictional amount of $3,000, exclusive of interest and costs, was not involved, was not in controversy, and although challenged by the answer of the defendant, petitioner herein, was not proved.

The Circuit Court of Appeals did not follow and apply the local law as declared by the Courts of Illinois, but

held that there need be no "palming-off" in unfair competition cases, contrary to the doctrine of unfair competition as defined by the Courts of Illinois.

The Circuit Court of Appeals did not follow and apply the local law of Illinois as declared by the Courts of Illinois in granting relief, but enjoined the defendant, petitioner herein, from using its corporate name and from exercising its corporate entity, whereas the law of Illinois, at the most, only requires the defendant, in unfair competition cases, to take *reasonable* precautions not to "palm-off" its goods as the goods of the plaintiff.

The Circuit Court of Appeals decided the foregoing questions contrary to the decisions of other United States Circuit Courts of Appeals, and also contrary to its own decisions, in similar cases.

We refer to our brief filed in support of this petition for full elaboration of the foregoing points.

Wherefore, we respectfully pray that this Court will enter an order granting the writ of certiorari to review the above entitled cause and the judgment of the Circuit Court of Appeals entered therein.

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